

Adopted	Rejected
---------	----------

## COMMITTEE REPORT

YES:	10
NO:	2

### MR. SPEAKER:

*Your Committee on Commerce, Economic Development and Technology, to which was referred House Bill 1979, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL TO AMEND the Indiana Code concerning merchant power
- 3 plants.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 8-1-8.3 IS ADDED TO THE INDIANA CODE AS
- 6 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 7 1, 2001]:
- 8 **Chapter 8.3. Utility Worker Skills and Standards Committee**
- 9 **Sec. 1. As used in this chapter, "committee" refers to the utility**
- 10 **worker skills and standards committee established by section 3 of**
- 11 **this chapter.**
- 12 **Sec. 2. As used in this chapter, "utility" means a plant or**
- 13 **equipment within Indiana that is used for the production,**
- 14 **transmission, delivery, or furnishing of electricity, either directly**

1 or indirectly, to the public.

2 **Sec. 3. There is established the utility worker skills and**  
 3 **standards committee consisting of the following eleven (11)**  
 4 **members:**

5 (1) The utility consumer counselor, who is an ex officio  
 6 member of the committee. Except as provided in section 5 of  
 7 this chapter, the utility consumer counselor is a nonvoting  
 8 member of the committee. The utility consumer counselor  
 9 shall serve as chair of the committee.

10 (2) Five (5) members appointed by the governor, with one (1)  
 11 member representing each of the following:

12 (A) A public utility (as defined in IC 8-1-2-1) that  
 13 produces, transmits, delivers, or furnishes electricity,  
 14 either directly or indirectly, to the public.

15 (B) A rural electric membership corporation (as defined in  
 16 IC 8-1-13).

17 (C) A municipally owned utility (as defined in IC 8-1-2-1)  
 18 that produces, transmits, delivers, or furnishes electricity,  
 19 either directly or indirectly, to the public.

20 (D) A public utility described in clause (A) that has  
 21 withdrawn from the commission's jurisdiction under any  
 22 provision of Indiana law, or over which the commission  
 23 has declined to exercise jurisdiction under any provision of  
 24 Indiana law.

25 (E) A nonutility owned electric generation and  
 26 transmission company.

27 (3) Five (5) members appointed by the governor, with one (1)  
 28 member representing each of the following employee  
 29 organizations:

30 (A) The Indiana State AFL-CIO.

31 (B) The Indiana State Building Trades Council.

32 (C) The International Brotherhood of Electrical Workers.

33 (D) The American Federation of State, County, and  
 34 Municipal Employees.

35 (E) The United Steelworkers of America.

36 **Sec. 4. (a) A member appointed under section 3(2) or 3(3) of this**  
 37 **chapter serves for a term of four (4) years, except when a member**  
 38 **is appointed to fill a vacancy, in which case the appointment is for**

the unexpired term only. A member appointed under section 3(2) or 3(3) of this chapter serves until the member's successor is duly appointed and qualified. However, a member appointed under section 3(2) or 3(3) of this chapter may be reappointed to successive terms. The utility consumer counselor serves on the committee for the duration of the counselor's appointment under IC 8-1-1.1-3.

(b) A member appointed under section (3)(2) or 3(3) of this chapter may be removed at any time by the governor for cause.

(c) Six (6) members of the committee constitute a quorum.

(d) The chair shall call the number of meetings necessary for the committee to adopt the initial rules required under section 5 of this chapter. After the committee adopts the initial rules required under section 5 of this chapter, the committee shall meet at least one (1) time each calendar year to review the effectiveness of the rules and consider whether any additions or amendments to the rules are needed. Upon the call of the chair or a simple majority of the members of the committee, the committee shall hold any additional meetings necessary to amend the rules.

Sec. 5. The committee shall adopt rules under IC 4-22-2 to establish skill and training standards for employees who operate or maintain utilities. The rules adopted must specify training standards and qualifications for utility employees who operate, maintain, service, and repair any or all parts of electric generation and transmission facilities, materials, or equipment. All standards and qualifications must be approved by a vote of a simple majority of the voting members of the committee. Any proposed standards or qualifications not agreed to by a simple majority of the voting members of the committee must be submitted to the utility consumer counselor, who, as chair of the committee, shall make a final determination concerning the proposed standards or qualifications. The chair shall either approve or deny the proposed standards or qualifications based on:

(1) information submitted by committee members appointed under section 3(2) of this chapter; or

(2) information submitted by committee members appointed under section 3(3) of this chapter;

or on information submitted by a combination of committee

members appointed under section 3(2) and 3(3) of this chapter. However, the chair may not create any new standards or qualifications or approve any standards or qualifications that were not proposed by members appointed under section (3)(2) or (3)(3) of this chapter.

SECTION 2. IC 8-1-8.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

#### **Chapter 8.4. Merchant Power Plants**

**Sec. 1. (a) "Merchant power plant" means a facility within Indiana used for the:**

**(1) production, transmission, delivery, or furnishing of heat, light, or power; and**

**(2) sale of electric energy exclusively on the wholesale market; to other public utilities, energy service providers, or power marketers within or outside Indiana.**

**(b) The term includes a facility that has made a significant alteration to the labor used to construct or remodel the facility. For purposes of this subsection, a facility makes a significant alteration in the labor used to construct or remodel a facility if the person uses contractors, subcontractors, or work crews that include workers who are not participants in or have not completed a jointly administered labor and management apprenticeship program approved by the United States Department of Labor's Bureau of Apprenticeship Training.**

**(c) The term does not include a facility that is owned, controlled, or operated by a person that is obligated contractually to provide substantially all of the wholesale power requirements of an electricity supplier under a contract extending at least five (5) years.**

**Sec. 2. (a) A merchant power plant is subject to the jurisdiction of the commission.**

**(b) This subsection does not apply to a merchant power plant described in subsection (1)(b). The commission may decline to exercise in whole or in part its jurisdiction over a merchant power plant described in subsection (1)(a) of this chapter that has filed an application with the commission before March 1, 2001.**

**Sec. 3. The commission shall consider the following when acting**

upon any petition by a merchant power plant under IC 8-1-8.5 or IC 8-1-2.5:

- (1) Location.
- (2) Need.
- (3) Financing.
- (4) Reporting requirements.
- (5) Impact on electric suppliers and customers.

**Sec. 4. When considering whether to approve a merchant power plant, the commission shall give preference to the following locations for siting:**

- (1) Brownfield sites that are isolated from populated areas.
- (2) Sites of existing or former utilities that can be replaced or repowered.
- (3) Other sites identified for power plant or heavy industrial development in local land use plans before the initiation of site selection for the facility.

**Sec. 5. Following the approval of a petition by the commission, the merchant power plant shall:**

- (1) notify the commission upon becoming an affiliate of any regulated Indiana utility selling electricity at retail to Indiana consumers, at which time the commission may reassert any jurisdiction it had declined under IC 8-1-2.5;
- (2) obtain prior commission approval with respect to the sale of any electricity to any affiliated regulated Indiana retail utility, or any affiliate of a regulated Indiana retail utility; and
- (3) obtain prior commission approval of any transfers of ownership of the facility or its assets.

**SECTION 3. [EFFECTIVE JULY 1, 2001] (a) As used in this SECTION, "committee" refers to the utility worker skills and standards committee established by IC 8-1-8.3-3, as added by this act.**

**(b) Notwithstanding IC 8-1-8.3-4(a), as added by this act, before September 1, 2001, the governor shall make the initial appointments to the committee as follows:**

- (1) The members appointed under IC 8-1-8.3-3(2)(A), IC 8-1-8.3-3(2)(B), IC 8-1-8.3-3(2)(C), IC 8-1-8.3-3(3)(A), IC 8-1-8.3-3(3)(B), and IC 8-1-8.3-3(3)(C), all as added by this

- 1           **act, for a term of four (4) years.**  
2           **(2) The members appointed under IC 8-1-8.3-3(2)(D),**  
3           **IC 8-1-8.3-3(2)(E), IC 8-1-8.3-3(3)(D), and IC 8-1-8.3-3(3)(E),**  
4           **all as added by this act, for a term of three (3) years.**  
5           **(c) The committee shall adopt the initial rules required by**  
6           **IC 8-1-8.3-5, as added by this act, not later than January 1, 2003.**  
7           **(d) This SECTION expires July 1, 2003.**  
8           **SECTION 4. An emergency is declared for this act.**  
9           Renumber all SECTIONS consecutively.  
          (Reference is to HB 1979 as introduced.)

**and when so amended that said bill do pass.**

---

Representative Fry